



Australian Government

Takeovers Panel

# MEDIA RELEASE

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## Gladstone Pacific Nickel Limited 02 - Panel Receives Application

The Panel has received an application from Robash Pty Ltd, a shareholder of Gladstone Pacific Nickel Limited, in relation to the affairs of Gladstone. Gladstone is an unlisted public company which has more than 50 members.

The application relates to a proposed 11 for 1 non-renounceable rights issue announced by Gladstone at \$0.08 per share to raise approximately \$62.4 million. The rights issue is not underwritten. On 12 August 2011, Gladstone lodged the prospectus in relation to the rights issue with ASIC.

Robash submits, among other things, that the rights issue constitutes unacceptable circumstances because:

- the offer ratio is punitive and there has been no attempt to mitigate the effect of the offer on shareholders who do not participate in the rights issue
- shareholders have not been adequately informed of the identity of persons who propose to acquire a substantial interest in Gladstone
- shareholders, other than Palmer interests<sup>1</sup>, are unlikely to have an equal opportunity to participate in the rights issue due to its ratio and pricing and
- an inappropriate procedure is being followed as a preliminary to compulsory acquisition of voting shares in Gladstone.

Robash seeks interim orders that Gladstone not issue the prospectus until the Panel application is determined. ASIC has issued a notice extending the exposure period in relation to the prospectus.

Robash seeks final orders that the rights issue be prevented from proceeding and any applications received by Gladstone under the rights issue be considered void and all application monies be returned to applicants.

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<sup>1</sup> Companies owned and controlled by Mr Clive Palmer own 56.4% of Gladstone

A sitting Panel has not been appointed at this stage and no decision has been made as to whether to conduct proceedings. The Panel makes no comment on the merits of the application.

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